

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In The Matter Of)	
)	
Petition Of Neutral Tandem, Inc.)	
For Interconnection With)	WC DOCKET NO.
Verizon Wireless, Inc.)	06-159
Pursuant To Sections 201(A) And)	
332(C)(1)(B) Of The Communications)	
Act, As Amended)	

COMMENTS OF UNITED STATES
CELLULAR CORPORATION

United States Cellular Corporation ("USCC") hereby comments on the above-captioned petition pursuant to the relevant Commission public notice.¹ USCC strongly opposes the request of Neutral Tandem, Inc. ("Neutral Tandem") that the FCC compel Verizon Wireless Inc. ("Verizon Wireless") to interconnect directly with Neutral Tandem, a result which might have the effect of requiring all similarly situated wireless carriers to provide direct interconnection to all entities requesting such interconnection.² USCC submits that: (a) there is no duty on the part of wireless carriers under current law to provide such direct interconnection; and (b) the public interest has been well served by the FCC's policy of not requiring wireless carriers to adopt any specific form of interconnection to fulfill their general duty to interconnect with other carriers. Also, USCC maintains that no change in that policy has been shown by Neutral Tandem to be necessary to serve the public interest.

¹ Public Notice "Pleading Cycle Established for Comments on Petition For Interconnection of Neutral Tandem, Inc. Pursuant to 47 U.S.C. §§201(a) and 332(c)(1)(B)," DA 06-1903, released August 9, 2006.

² Neutral Tandem does not serve end users but rather provides competitive tandem switching to other carriers.

I. There Is No Duty of Direct Interconnection By Wireless Carriers Under Current Law

Neutral Tandem, in essence, argues (Petition, pp. 4-16) that the FCC can order Verizon Wireless to establish a "direct trunk connection" with Neutral Tandem under existing FCC regulations and policies. However, Neutral Tandem does not acknowledge that the FCC has already found that CMRS carriers, while required to interconnect with other carriers, cannot be forced to adopt a particular form of interconnection. In other words, connection can be direct or indirect, at the option of the CMRS carrier.³ In 2000, the FCC, in the CMRS Interconnection Order, found that CMRS carriers are not "dominant carriers" and that the "steady growth of competition in CMRS markets" precluded a need for "imposing a new interconnection obligation on facilities based CMRS providers...."⁴ The development of wireless competition since 2000 has only reinforced that conclusion.⁵ Moreover, the current advanced wireless service auction in the 2 GHz band and the upcoming AWS auction in the 700 MHz band (scheduled for January 2008) will only add to the existing level of wireless competition, to the benefit of consumers, reinforcing the FCC's wise decision that heavy-handed regulation of wireless interconnection methods is not necessary.

Also, the FCC has in recent years repeatedly declined to order wireless carriers in different contexts to provide direct interconnection to resellers and other carriers.⁶

³ Interconnection and Resale Obligations Pertaining to Commercial Radio Services, Fourth Report and Order, 15 FCC Rcd 13523, 13527, 13531-32, ¶¶ 19-22) ("CMRS Interconnection Order ").

⁴ Ibid, at 13531, ¶20.

⁵ See, Implementation of Section 6002 (B) of the Omnibus Budget Reconciliation Act of 1993, Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services, Tenth Report, 20-FCC Rcd 5408 15911 92 (2005) ("97 percent of the total U.S. population lives in counties with access to three or more different operators offering mobile telephone service, the same level as in the previous year and up from 88 percent in 2000, the first year that statistics were kept").

⁶ Cell Net Communications, Inc. v. New Par, 15 FCC Rcd 13814, 13817 (2000); Cellexis International, Inc. v Bell Mobile Systems, Inc., Memorandum Opinion and Order, 16 FCC Rcd 22887, 22888 (2001).

Thus, the FCC cannot apply its existing rules and policies to grant the relief which Neutral Tandem requests. To do so, the FCC would have to determine that the rationale underlying its prior contrary rulings was no longer valid, which, in turn, would require a far more broad based inquiry than is possible in a proceeding of this type, in which the carrier seeking direct interconnection is, in essence, seeking to vindicate an alleged existing right. This issue should be considered, if at all, the interconnection compensation proceeding. The FCC cannot and should not issue a ruling with such far reaching implications for other wireless carriers in the context of a private commercial dispute.

II. There Is No Need To Change The FCC's Policies Regarding Direct Interconnection

Fulfilling the duty to interconnect with other wireless and wireline carriers imposed by Section 251(a) of the Communications Act is among the most complex and difficult tasks that wireless carriers face. And, it is a task rendered even more complex by the proliferation of new types of telecommunications service providers offering voice services, including VOIP carriers and cable systems.

In navigating this maze, wireless carriers will sometimes find direct interconnection to be to the best advantage of their customers and networks. At other times, indirect interconnection will be most cost effective. This flexibility is permitted under the current regulatory system, and it is working well. It is essential to the welfare of CMRS carriers that this approach to interconnection be maintained or else they will be overwhelmed by the costs and complexity of unnecessary direct interconnections.

Verizon Wireless, in its response to Neutral Tandem's "Motion For An Interim Order," has detailed some of the costs imposed by its prior, quite limited interconnection arrangement

with Neutral Tandem, which it is now seeking to terminate.⁷ Among the "variety of facilities" which Verizon Wireless had to "install, maintain and operate" in the three cities where it had a direct interconnection arrangement with Neutral Tandem were "switch ports, digital cross-connect paths, and echo cancellers."⁸ CMRS carriers should not be required to incur such costs if they are not in the best interests of their customers. If all carriers seeking it were granted a right to direct interconnection with Verizon Wireless and, by implication, all other wireless carriers, including those smaller and mid-sized carriers with far fewer resources than Verizon Wireless, the costs to all such carriers (and thus their customers) would be very great, with no countervailing public interest benefits.

Moreover, the Verizon Wireless filing and its attachment discuss various aspects of the business relationship with Neutral Tandem which Verizon Wireless found to be unsatisfactory.⁹ Without commenting on the merits of that dispute, we would note that Verizon Wireless's filing illustrates the general principle that forcing unwilling parties to do business with each other is a bad idea, absent some public policy reason which overrides what should be a presumption in favor of freedom of contract. No such reason has been provided here. Neutral Tandem's references to the need for tandem "redundancy," and its unsubstantiated discussion of the alleged benefits to Verizon to Verizon Wireless's policies do not suffice to justify the costs to all wireless carriers of forcing them to interconnect directly with any requesting carrier.

III. Conclusion

For the foregoing reasons, the FCC should deny the Petition for Interconnection filed by Neutral Tandem.

⁷ See, "Opposition of Verizon Wireless To Motion For Interim Order."

⁸ Ibid, p. 26.

⁹ See, e.g., "Declaration of Cynthia Wells" attached to Verizon Wireless's" Opposition."

Respectfully submitted,

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